

# Healthcare Mergers and Acquisitions have a Profound Impact on the need for IG

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*By Jim White, RHIA, MBA*

One of the more significant healthcare trends we see today is the consolidation (mergers and acquisitions) of hospitals, physician groups, and insurance companies into larger integrated systems. The goal of this activity have been focused on: increased market share, increased financial stability, better service to the patient and community, and procurement of additional services. While some organizations have been able to reach these goals, many others have failed to achieve them in the timeframe originally expected.

Mergers and acquisitions (M&As) are very complex in nature and carry forward many unintended consequences that are not discovered even when performing due diligence. In my 39 years as a health information management professional I have been involved in several M&As and in most cases the call for due diligence does not come with much time to perform it. In my experience, I usually was given only enough time to find high-level “red flags” as it pertained to my area of responsibility—health information management. Trust me, M&As can bring much “unwanted baggage” into play, which must be dealt with in a go-forward process. Several key areas that will have a significant impact on your information governance (IG) programs following any M&A are described below.

## Enterprise Master Patient Index (EMPI)

The enterprise master patient index (EMPI) is without question one of the most critical data bases in a healthcare environment. All data collected ties to the EMPI and inaccuracies such as duplicates, overlays, and overlaps have negative patient care and financial impacts. It is estimated that the error rate in the EMPI is in the eight to 10 percent range. That should be completely unacceptable for HIM professionals, and we should drive that rate down to less than 2 percent. When you merge or acquire an organization you inherit their EMPI and with it all errors. It should be a priority for all HIM professionals to be actively engaged in understanding why errors occur and put software and processes in place to improve the integrity of this data. Become an expert in this area and be proactive. Don't just accept what reports are given to you by your EHR or IT&S teams. Understand the process and audit your EMPI on a regular basis just like you do for your coding department.

## Record Retention and Storage

All M&As will come with legacy electronic and paper information. I can tell you from past experience much of the information you “inherit” is information you did not have time to review during the due diligence process. You will now own multiple record retention policies that may or may not have been enforced. You will find patient records that have been kept in unsecured locations—and let's not forget about all those “shadow” records (both paper and electronic) that literally come out of the closets. You will need to do a complete assessment of your new inventory. This is an opportune time to consolidate your paper information inventory and evaluate lower cost storage options. Historically records have been kept on site, which is usually very valuable real estate that could be used for other revenue generating purposes. Information governance is so critical to making this newly acquired information a valuable asset for your organization instead of a major liability and additional expense.

## Electronic Health Record Data Quality

We all understand that the electronic health record (her) has dramatically changed the landscape not only in healthcare but our profession. In the M&A process you most likely will be dealing with legacy electronic patient care systems that will be entirely

different than the ones you may be familiar with and use. It is important to understand the electronic data that you have inherited. Many organizations have not done a very thorough job in data mapping and identifying the actual owner of the data. All this information must be understood and properly catalogued in order for it to be used as a strategic asset. In addition, we all know that the EHR has created unintended consequences with processes such as cut and paste and copy forward of information. All these issues need to be addressed in order for the EHR to serve as the valuable tool it should be, and IG is the process that starts this journey.

## Disclosure Management

No one in your organization should ever question which department has more experience and expertise in this function—it's health Information professionals. With M&A comes the responsibility to provide all the information you have acquired plus your existing information in a HIPAA-compliant and customer-focused way. Release of information has become an extremely complicated process in many organizations due to the rapid growth of electronic information along with the hybrid environment. Many M&As have also involved newly acquired physician office practices. HIM should be responsible and manage all disclosures for their organization because we are the experts.

Mergers and acquisitions will continue to occur at an accelerated pace in 2017. Put your IG process in place now so that you will be ahead of the challenges and address these key issues in a proactive way.

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